

REMARKS

Claims 1-6, 9-17, and 27-51 are pending.

Claims 1, 3-6, 10, 13, 14, and 27-33 stand rejected.

Claims 7, 8, and 24 have been canceled without prejudice or disclaimer of the subject matter recited therein.

Claims 2, 9, 11, 12, 15-23, 24, 26, and 34-51 are withdrawn.

Claims 1 and 2 have been amended.

Claim Rejections - 35 U.S.C. § 101

Claims 1, 3-6, 10, 13, 14, and 27-33 stand rejected under 35 U.S.C. §101 as directed to non-statutory matter. Applicant respectfully traverses the rejection.

Applicant has amended claim 1 to recite in part:

processing in the computer system the one or more product distribution transactions and the credential validation rule data to validate the obtained one or more product distribution transactions associated with the one or more product distributors in accordance with predetermined validation criteria to determine if the one or more transactions can be used for compensating one or more product distributors, to validate the obtained credential information of one or more product distributors associated with one or more transactions to determine whether the one or more product distributors meet eligibility requirements for compensation associated with each of the obtained product distribution transactions for the one or more product distributors, and to generate results data representing at least any validated transactions and determined-eligible product distributors; and

generating compensation data from the results data for each of the one or more product distributors to be compensated for the one or more product distribution transactions.

The Federal Circuit in *In re Bilski*, held that, “A claimed process is surely patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus or (2) it transforms a particular article into a different state or thing.” *In re Bilski*, (Fed. Cir. October 30, 2008). The Federal Circuit specifically held that “data” can be the “article”. *Id.* For example, referring to *In re*

Abele, the Federal Circuit in *In re Bilski* stated that “X-ray attenuation data ... clearly represented physical and tangible objects.” *Id. citing In re Abele*, 684 F.2d 902 (CCPA 1982). The Federal Circuit further noted that “the electronic transformation of the data itself into a visual depiction in *Abele* was sufficient” to render the process in *Abele* “patent-eligible” under 35 U.S.C. § 101. *In re Bilski*, (Fed. Cir. October 30, 2008).

Applicant respectfully submits that the present claims comply with 35 U.S.C. § 101. Claim 1 recites “processing in the computer system” to “generate results data indicating at least any validated transactions and determined-eligible product distributors.” Claim 1. Applicant respectfully submits that the “results data” clearly represents a physical and tangible object namely, “any validated transactions and determined-eligible product distributors.” *Id.* Thus, the “results data” represents a particular “article” under the 35 U.S.C. § 101 number (2) ‘transformation’ test articulated in *In re Bilski*.

Claim 1 further recites “generating compensation data from the results data for the one or more product distributors to be compensated for the one or more product distribution transactions.” Thus, as the visual depiction in *In re Abele* was generated from the X-ray data and held to be a transformation under sufficient to render the process in *In re Abele* patent-eligible, the “compensation data” is generated “from the results data”, thus, rendering claim 1 patent-eligible under 35 U.S.C. § 101. Claim 1.

Accordingly, Applicant respectfully submits that for at least the foregoing reasons claim 1 and claims directly or indirectly dependent from claim 1 comply with 35 U.S.C. § 101.

CONCLUSION

In view of the amendments and remarks set forth herein, the application is believed to be in condition for allowance and a notice to that effect is solicited. Nonetheless, should any issues remain that might be subject to resolution through a telephonic interview, the Examiner is requested to telephone the undersigned at 512-338-9100.

CERTIFICATE OF TRANSMISSION

I hereby certify that on November 12, 2008 this correspondence is being transmitted via the U.S. Patent & Trademark Office's electronic filing system.

/Kent B. Chambers/

Respectfully submitted,

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